



New England Convenience Store
Association

CONNECTICUT CHAPTER

Testimony Submitted By:
Stephen Ryan, NECSA CT Chapter
To the General Law Committee
February 26, 2013

RE: H.B. 6210 and H.B. 5420

NECSA statement of opposition to H.B. 6210 and H.B. 5420, Bills before the General Law Committee
Regarding the sale of cigars at liquor stores and the sale of wine at cheese shops

Chairman Doyle, Chairman Baram and members of the committee, thank you for the opportunity to submit testimony in respectful opposition to **H.B. 6210, AN ACT ALLOWING PACKAGE STORES TO SELL CIGARS** and **H.B. 5420, AN ACT ESTABLISHING A CHEESE SHOP WINE AND BEER PERMIT**, bills before the General Law Committee.

Both of these bills deal with the repeal of certain existing Connecticut laws that limit the items a store may sell based upon their legal classification or definition as a particular type of retailer. These bills seek to expand the product offerings at certain types of stores in a piecemeal fashion without addressing the underlying and archaic inequities in the current law that limit competition and preclude many convenience stores from selling beer in Connecticut.

How important are cigars to convenience stores? According to data from the National Association of Convenience Stores, cigars total about 30 percent of convenience store sales of tobacco products other than cigarettes, or about \$13,000 per store per year. **To take this product, which is an important one for the economic survival of C-stores, and permit its sale by a retailer with whom most convenience stores who sell fuel cannot compete for beer sales based upon outdated provisions in Connecticut law is inequitable.**

Nationwide, nearly 80% of convenience stores nationwide sell beer. In Connecticut, however, many convenience stores are denied a permit to sell beer because they simply do not qualify under the current law even though they sell many food and grocery items. This is because current law requires that a store primarily sell food items and, if convenience stores sell gasoline that directly affects the eligibility of a store to qualify. The law is antiquated and was adopted at a time when convenience stores did not sell gasoline. The law does not reflect today's consumers' choices and the current state of the convenience store market.

Until this flawed law is corrected, it is our opinion that it is unfair to expand the product offerings to other retailers such as liquor stores and cheese shops. We believe that, however well-intentioned, proposals such as these pick economic winners and losers amongst Connecticut's retail businesses based upon carve-outs or carve-ins without fostering true competition for beer sales which would benefit consumers and the revenues for the state. The current reality is that Connecticut has the second lowest beer consumption rate in the country and the lowest in all of New England, according to the Beer Institute. The state is already losing revenue by not allowing convenience stores to sell beer. Enacting laws that expand the items for sale by other retailers while failing to address this issue will hurt convenience store owners and their customers.

For the foregoing, reasons we respectfully oppose H.B. 6210 and H.B. 5420. Thank you for your time and consideration of our concerns.